

12 September 2025

The Secretary
Legislative Scrutiny Committee
GPO Box 3721
DARWIN NT 0801

Via email: LSC@nt.gov.au

ENVIRONMENT PROTECTION (BEVERAGE CONTAINERS AND PLASTIC BAGS) LEGISLATION AMENDMENT (EXPANSION OF CDS AND OTHER MATTERS) BILL 2025

Thank you for the opportunity to lodge a submission in response to the Inquiry into the Environment Protection (Beverage Containers and Plastic Bags) Legislation Amendment (Expansion of CDS and other Matters) Bill 2025 ("the Bill").

Coles operates 8 supermarkets and 10 liquor stores in the Northern Territory, employing over 1,000 team members. We are committed to finding pathways for materials to be recycled and recirculated back into the economy for further use. We actively support and participate in product stewardship initiatives that help reduce the end-of-life impacts of products sold in our store.

In jurisdictions that feature reverse vending machines as part of their model, Coles operates 279 container return sites. Since 2018, 2.1 billion containers have been diverted from landfill through Coles-linked sites. In FY25 alone, 560 million containers were deposited and \$340,000 was collected in refund donations for registered charity and community organisations at Coles-linked sites nationally.

Coles supports the Government's aim to increase the effectiveness of the current container deposit scheme. We note that the Bill proposes to expand the scheme to provide refunds to any beverage container up to three litres, covering items previously excluded such as wine bottles, spirit bottles and milk cartons.

The proposed inclusion of wine and spirit bottles reflects the current model in Queensland and aligns with both the joint announcement made on 3 September 2025 by the South Australian and New South Wales Governments and the announcement made on 10 September 2025 by the Western Australian Government that their respective schemes will also be expanded to accept wine and spirit containers.

However, the proposed additional inclusion of milk containers in the Northern Territory scheme is an outlier that will put this scheme at odds with every other jurisdiction, noting that the South Australian, New South Wales and Western Australian announcements specifically ruled out the inclusion of plain milk containers in their future expansion.

As a national retailer, inconsistencies across these schemes present unnecessary regulatory burden for manufacturers and retailers, as well as confusion for consumers, particularly when the eligible CDS containers differ from one scheme to the next. This position was endorsed at the Environment Ministers meeting in April 2021 which noted



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that "with respect to Container Deposit Schemes, Ministers also agreed to harmonisation for the containers (size and products) across jurisdictions, refund amounts, standards for labelling, and community education **by the end of 2025**, ensuring consistent recycling collection strategies across all states."

More than just having additional eligible containers in the scheme, Coles has concerns regarding the inclusion of milk being a key grocery and nutritional item, noting its inclusion will have implications for the retail price of the product for Territorians and the costs for manufacturers.

Plain milk (including milk substitutes such as soy milk, oat milk and almond milk) is a staple item of household consumption and not a discretionary purchase. Coles works hard to maintain a national price on items such as plain milk and we understand that cost of living pressures remain a concern for many people. The implementation of the CDS levy upon this category will have a direct impact on the affordability of a product that is key to nutrition for Territorian households.

There will also be required changes to the label of these products to indicate their eligibility for container deposit refunds in the Territory. The products retailed by Coles are largely sold across most states and territories, with only a small number of products sold exclusively within one jurisdiction. If this proposal were to proceed, the change (including the inclusion of flavoured milk lines above 1L) will result in the label changes for 64 lines (56 plain milk [or milk substitutes] and 8 flavoured milk above 1L), of which only 7 are uniquely sold in the NT market.

The labelling change will also likely create unnecessary confusion for consumers, given these containers cannot be redeemed anywhere else in Australia.

Coles is committed to programs that help support the transition to a more circular economy. However we urge the Northern Territory Government to maintain the harmonisation and effectiveness of its CDS scheme with that of all other Australian jurisdictions and remove milk containers from the proposed expansion.

Coles looks forward to our continued engagement with the Northern Territory Government on this important issue. Should you require any further information, please do not hesitate to contact me on [REDACTED]

Yours sincerely,



Catherine Macneil
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